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between the Moslems and the Lamaists.

As a result of the aforesaid complexity of its geographic basis as well as its intricate historical and political background, the Northwest's population problems are as complicated as its intermingling ethnic composition. For many years, the extreme northwestern province of Sinkiang suffered from continual conflict between China and Russia, although with the introduction of the Communist regime, the conflict seems at least temporarily resolved.

The development of industrialization in present day China is concentrated in the Northwest. New towns have been emerging in barren mountains and in deserts, such as Shih-yu-ho (near Yü-men), Tu-shan-tau, (south of Wu-su) and Shih-ho-tau on the western highway of Urumchi between the towns of Manas (Sui-lai) and Ulan-Wusu. The first two sprang up because of the drilling of promising oil wells in the Chi-lien and Tien-shan mountains.

The China Academy of Sciences announced in December, 1955, that in 1956 a number of new research divisions will be established in the Northwest: a Petroleum Research Bureau in Lanchow of Kansu, an Agro-biology Bureau in Wu-kung, Shensi, an Archaeological Research Bureau in Sian, a Geo-physical Research Bureau and a Veterinary Research Bureau. (Jen-min jih-pao Dec. 16, 1955, NCNA. May 11, 1956).

Last November, the Northwest Branch of the China Academy of Sciences held a meeting at which, with the assistance of the Russian Korshekov an ambitious plan was formulated for the economic development of the Northwest in the coming fifteen years, with emphasis on survey of natural resources, study of petroleum and rare metals, exploitation of non-ferrous metals, agronomy, soil science and animal husbandry. In these discussions, the professors of three schools of higher education, the Northwest University, the Northwest Industrial College, and the Northwest Agricultural College, took an active part. (Kuang-ming jih-pao Dec. 13, 1955; NCNA. May 11, 1956).

B. General Distribution and Regional Characteristics.

The Northwest Region has an average density of 28.6 persons per square mile, as compared with the average density of 160 per square miles for the whole country. It has the smallest number in population among all the major regions of China, as the following shows:

Major Regions	Population (1953 Census)
North China	55,749,000
Northeast China	41,732,000
East China	162,682,000
Central and South China	176,331,000

241 489 culture on land already under cultivation might be realized.

The Nationalist Government gave no financial assistance of 241 654 any magnitude until the Second World War. Finally, when it was 175 forced to retreat into the remote areas of Southwest China, the government had to depend largely on the Northwest for food and revenue (agricultural taxes). The Nationalist Government became more interested in the agricultural development of the Northwest and some experimental stations were set up in Kansu. Government assistance, however, was directed primarily to farmers engaged in producing crops for the war effort; e.g., cotton.

241 175 After 1938, the price index for farm products rose rapidly in all four provinces and the purchasing power of the farmers began to grow. [435] After 1940, food prices rose speedily and the farmers had more money than in prewar days. By examination of the [433] data of the war years as to whether farmers undertook to increase their scale of production and thereby extend cultivation, we can say that there was little increase in extensive farming (except in the case of Ninghsia) and that the output increases during this period can be attributed (wheat especially) largely to intensive farming.

241 423 Turning to the land tenure system, the percentage of farmers who are owners, partowners and tenants, as determined by a land survey undertaken by J. L. Buck, reveals that on the average most of the farmers own their own plots of land. The following [175] chart, compiled from data collected by Buck in 1933 on a sample basis gives us the landholding breakdown. In Farm Survey (a), [429] farmers who own their farmsteads but who rent all their crop land are classified as tenants rather than as partowners. When compared to the agricultural survey (b), (in this survey, 236 localities, 146 hsien, and twenty provinces in China were examined), the results in both cases are similar except in the case of Chinghai where the few samples taken disallows an accurate breakdown. (Land Utilization in China p. 57.)

Percentage of farmers who are owners, partowners and tenants

241 423 427 171 162

Province & local	Farm Survey (a)			Agricultural Survey (b)		
Kansu	owner	part-owner	tenant	owner	part-owner	tenant
Kao-lan	86.0	11.0	3.0	60.0	15.0	25.0
Lin-hsia	-	-	-	60.0	10.0	30.0
Wu-wei	96.0	4.0	0	60.0	25.0	15.0
Yung-teng	-	-	-	35.0	5.0	60.0
Ping-liang	82.0	17.0	1.0	85.0	10.0	5.0
Tien-shu	62.0	21.0	17.0	50.0	30.0	20.0
Average	78.6	14.2	7.2	58.4	15.8	25.8
Ninghsia	98.0	2.0	0	96.0	1.0	3.0
Chinghai						
Hwang-yau	67.3	22.7	10.0	-	-	-

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13 farming purposes is not great. Deserts, high mountains, and
241 loess covered plateaux limit the expansion of further cultivation.
311 The margin of cultivation can be extended but not without the great cost involved in reclaiming land and constructing irrigation networks. The dearth of rainfall in many sections of the Northwest and the shortness of the growing season also handicap farming. The destruction of wooded areas and gradual ruination of the top soil in the past has resulted in severe erosion and the elimination of important organic substances necessary for soil fertility.

241 The absence of transport and communications has encouraged
433 greater subsistence farming and less production for markets.
489 The inability of the farmer to sell his surplus and obtain a profit-
(438) able return so that he could increase production or practice more diversified farming, has stunted the growth of internal markets in the Northwest region. The inability of the Nationalist Government to link the internal markets of the Northwest to China Proper by a series of transport and communication systems, and provide for a free flow of capital, as well as short term low interest rate loans, has seriously retarded the development of agriculture.

241 We have seen from our data that while the above problems are
311 quite serious, there exists no real problem of tenantry or popula-
(435) tion pressure on the land. Furthermore, given high prices for
(433) their goods, as occurred during the second world war, the farmers of the Northwest, in some instances, could by more intensive farming methods raise the level of output significantly.

241 Both T. H. Shen and J. L. Buck (agronomists) feel that if
311 there were some restoration of fertility to the land in terms of
433 resodding and planting root crops, and if a large portion of the hilly sections could be turned over to the raising of livestock, certain sections of the Northwest would come to have a distinct comparative advantage economically so far as the production of livestock is concerned, and greater incomes would be forthcoming to the rural inhabitants (this assumes such products could be cheaply exported and necessitates a proper balance between farming and livestock raising).

241 One of the most vital factors not yet mentioned, is the neces-
433 sity for constructing irrigation works and to further extend those already in existence. This entails also the building of large reservoirs; the small magnitude of irrigation works is one of the greatest stumbling blocks to the development of areas like Sinkiang and Kansu, since most of the land there is desert.

However, to carry out the above projects which would overcome some of the obstacles to the expansion of agricultural production, it would be necessary that large capital outlays be available. Serious consideration of greatly expanding the area under cultivation might, however, lead to higher costs than any administration could bear, and in turn result in diminishing returns.

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TRADE

I. The Pre-Communist Period

Trade in the Northwest before the Communist conquest may be discussed by provinces.

A. Shensi

438 491 Trade between Shensi and the rest of the country was carried out mainly through the historical Great Northwest Highway, which links this province with Hankow and Tientsin on the one hand, and Kansu and Sinkiang on the other. Since 1937, the National government has undertaken to extend the Lunghai Railway [496] to the Northwest, and before the Communists took over it had reached T'ien-shui, Kansu. In addition, the northern part of [489] this province was closely connected with Shansi through three regional highways, and the southern part was linked with Hankow through the Han River, and with Szechwan through the Szechwan-Shensi bridle pass.

366 635 The commercial centers of this province are as follows: (1) Sian, the provincial capital, which not only commands the trade of the whole province, but also carries considerable transit trade; (2) T'ung-kuan, which is a transportation center between the three provinces of Shensi, Shansi and Honan; (3) An-k'ang, also known as Hsin-an, a commercial center of the Han River drainage area; (4) San-yuan, the commercial center of the so-called North Shensi Plain; and (5) Han-chung, also known as Nan-cheng, a trade center between Shensi and Szechwan.

439 435 *175 According to statistics of 1934, a normal year in pre-war times, the total value of imports and exports of this province, including foreign trade, amounted to 57,168,455 yüan, most of which were carried out through Tientsin and Hankow. The details are shown in the following table:

Table I: The Exports and Imports of Shensi, 1934

Description	Value (yüan)	
A. Exports:		19,087,221
raw cotton	16,250,000	
hemp	200,000	
raw silk	300,000	
wool	160,000	
fur and hide	757,221	
tung oil	900,000	
raw paints and paint oil	250,000	
fungs-in-trees	270,000	

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B. Imports			38,081,234
textiles	22,209,861		
sundries	6,968,868		
medical herbs and drugs	2,232,542		
apparels	1,704,563		
machinery and iron goods	1,295,837		
chinaware	1,087,299		
edibles	781,044		
kerosene and oil	701,134		
cosmetics	572,751		
paper	527,235		
vehicles and transportation equipment	76,235		
Grand Total			57,168,455

Source: Shina Shōbetsū Zenshi, 1943 ed., Vol. 6, pp. 805-15.

B. Kansu

Aside from the historical Great Northwest Highway, trade between Kansu and the rest of the country was carried out through the following routes: (1) the Yellow River, including its tributary, the Huang River or Hsi-ning-Ho, which is navigable between Hsi-ning and Pao-t'ou, the latter being the terminal of the Peking-Pao-t'ou Railway; (2) the caravan route between Hsi-ning and Ninghsia via Lanchou; and (3) the highway between Kansu and Szechwan.

The commercial cities of this province are as follows: (1) Lanchou (also known as Kao-lan), the provincial capital of Kansu and the commercial center of not only Kansu, but also Chinghai and Ninghsia; (2) Ping-liang, the commercial center of east Kansu; (3) T'ien-shui, the commercial center of south Kansu; (4) Lin-hsia, the commercial center of the area to the west of the T'ao River; and (5) Chang-yeh, the commercial center of the Ho-hsi Corridor.

According to 1933 statistics, the total value of imports and exports of Kansu amounted to 7,933,554 yüan, about one eighth of that of Shensi. The details are shown on the following table:

Table II: The Exports and Imports of Kansu, 1933

Description	Value (yüan)	
A. Exports:		1,536,832
fur and hide	714,105	
medical herbs	605,319	
tobacco	217,408	

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B. Imports:			6,456,722
cotton piece goods		669,884	
raw cotton		47,353	
paper		102,340	
iron and copper goods		40,362	
tea		145,786	
seafood		68,755	
chinaware		13,850	
silk		193,264	
tobacco		48,300	
sundries		5,015,022	
miscellaneous		113,793	
Grand Total			7,993,554

Source: Shina Shōbetsū Zenshi, 1943 ed., Vol. 7, pp. 634-37.

C. Ninghsia

The trade in Ninghsia is centered around its capital city, Ninghsia, which is the midpoint of the two important trade routes in the Northwest, one being the Yellow River, and the other being the caravan routes. The Yellow River route is usually divided into the following six sections:

Table III: The Yellow River Route (downstream)

Places	Length (li) (1 li = 1890 ft.)	Days of Journey
Hsi-ning-Lanchou*	480	3-5
Lanchou-Chung-wei	740	3-4
Chung-wei-Ninghsia	350	3-4
Ninghsia-Shih-ts'uan-tzu	190	2
Shih-ts'uan-tzu-Teng-kuo	200	2
Teng-kuo-Pao-t'ou	1,000	7-10
Total	2,960	20-27

*Including its tributary, the Huang River or Hsi-ning-ho.

Source: Shino Shōbetsū Zenshi, 1943 ed., Vol. 7, pp. 640-41.

The caravan routes consist of the following:

1. from Hsi-ning to Ninghsia via Lanchou,
2. from Sinkiang to Ninghsia via Alashan,
3. from Pao-t'ou to Ninghsia via the Ordos,
4. from Ping-liang, Kansu, to Ninghsia via Hua-ma-chih.

A caravan used to have thirty to fifty camels, each camel carrying about 375 pounds of goods and traveling about fifty to seventy li a day. (For modern highways see section Communications.)

According to 1933 statistics, the total value of exports and imports of Ninghsia amounted to 6,310,000 yüan, a little less

than that of Kansú. The details are shown in the following table:

Table IV: The Exports and Imports of Ninghsia, 1933

Description	Value (yüan)	
A. Exports:		4,040,000
opium	2,400,000	
sheep's pelts	900,000	
medical herbs	450,000	
wool	240,000	
hair-like weeds	50,000	
B. Imports:		2,270,000
cotton piece goods	1,400,000	
silk, woolen cloth, cosmetics	300,000	
sundries	120,000	
cotton	150,000	
grain	300,000	
Grand Total		6,310,000

Source: Shina Shōbetsū Zenshi, 1943 ed., Vol. 7, pp. 638-39.

D. Chinghai

Trade in Chinghai is centered around Hsi-ning, the provincial capital. Aside from the two routes which connect Hsi-ning and Lanchou, there is another route leading to Tibet and still another to Sinkiang. The main exports were fur, hide, grain, salt, lumber and medical herbs, among which fur and hide, the staples, are mostly shipped to Tientsin for re-export. The main imports are cotton piece goods and silk. Trade statistics are not available. It is also known that there was considerable trade between Chinghai and India, but details are lacking.

E. Sinkiang

Trade in Sinkiang is a little more complicated, because Sinkiang trades not only with agricultural China, but also with Soviet Russia, India and Afghanistan. So far as the trade with agricultural China is concerned, there are three main trade routes. One runs from Urumchi to Tientsin via Kobdo, Urga and Pao-t'ou, generally known as the Outer Mongolia Great Grass Route. Another runs from Urumchi to Tientsin via Qomul (Hami), Darkhan League, Kuei-sui and Pao-t'ou, generally known as the Inner Mongolia Lesser Grass Route. And still another is the historical Great Northwest Highway which leads to Sian via Qomul (Hami) and Lanchou. The Outer Mongolian route had been out of use since the independence of Outer Mongolia. The Inner Mongolia route was originally a caravan route. But since 1933, the section between Urumchi and Kuei-sui has been open to motor traffic under the name of Sinkiang-Suiyuan highway.